Section A

Executive Summary

INTRODUCTION

This section of the report is intended to provide Management with an executive-level summary of the most noteworthy performance information to date. All cost, schedule, milestone commitments, performance measures, and safety data is current as of August 31, 2001. Accomplishments, Issues and Integration items are current as of September 26, 2001 unless otherwise noted.

The section begins with a description of notable accomplishments that have occurred since the last monthly report and are considered to have made the greatest contribution toward safe, timely, and cost-effective clean up. Following the accomplishment section is an overall fiscal year-to-date summary analysis addressing cost, schedule, funds management and milestone performance. Overviews of safety ensue. The next segment of the Executive Summary, entitled Breakthroughs and Opportunities for Improvement represents potential significant improvements over the established baseline. The Critical Issues section is designed to identify the high-level challenges to achieving cleanup progress.

The next section includes FY 2001 EM Management Commitment Milestones and Performance Incentives.

The Key Integration Activities section follows next, highlighting PHMC activities that cross contractor boundaries and demonstrate the shared value of partnering with other Site entities to accomplish the work. Concluding the Executive Summary, a forward-looking synopsis of Upcoming Planned Key Events is provided.

Note: Milestones tracked and reported in this report consist of two Department of Energy levels. In descending order these levels are 1) Department of Energy-Headquarters (HQ), and 2) Richland Operations (RL). Because it is also useful to distinguish milestones based on specific drivers, the Site applies a designation for those milestones created or tracked to meet the requirements of Enforceable Agreements (EAs). When a milestone satisfies both an EA requirement and a milestone level, it is categorized as both. However, in order to avoid duplicate reporting, this report accounts for each milestone only once. Where an overlap exists between EA and a level (i.e., HQ or RL), the milestone is reported as EA. Additionally, Tri-Party Agreement (TPA) Major and Interim milestones are EA milestones. TPA milestones that are not enforceable are called Target milestones and are included in the TPA/EA milestone tables found in the applicable Project Sections.

NOTABLE ACCOMPLISHMENTS

Accelerate Readiness to Receive Spent Nuclear Fuel (SNF) K Basin Sludge ¾ Both PUREX towers were removed from the T Plant canyon as of September 25, 2001. Final preparations were made for the RL Operational Readiness Review (ORR) to commence October 1, 2001.

Stabilization of Nuclear Material

- **Residues ¾** Hanford ash was packaged (27,955 grams bulk) into 27 Pipe Overpack Containers (POCs) during August. The upgrades for the first calorimeter obtained from Rocky Flats were completed.

- **Oxides / Metals** — The repackaging of the remaining plutonium (Pu) metals inventory into 3013 outer cans was completed September 26, 2001. Also, a new lighter weight Bagless Transfer Convenience Can (BTCC) solid temporary lid was put into use. The modification reduces the potential for BTCCs to tip over and the incorporated T handle aids in handling during glove box operations.

- **Solutions** ¾ A total of thirty-eight (38) liters of solution were processed through the magnesium hydroxide [$Mg(OH)_2$] hot plates during August, bringing the FYTD total to 631 liters. Feed type for the month continued to be product nitrate.

Accelerated Deactivation Project — Water towers 3902A and 3902B have been size-reduced and disposed of in the Low-Level Burial Grounds (LLBG); demolition of 303K building to grade and disposal of waste was completed; and the uranium disposition activities planned for FY 2001 were completed. The non-destructive assay (NDA) for phase I characterization of E and F Cells at 224-T was completed.

Fuel Movement Activities Continue ¾ To date, 25 Multi-Canister Overpacks (MCOs) (537 canisters–7200 fuel assemblies) have been removed from K West (KW) Basin for a total of 117.38 Metric Tons of Heavy Metal (MTHM) shipped. The twenty-fifth MCO was shipped to the Cold Vacuum Drying Facility (CVDF) on September 17, 2001, eight working days ahead of schedule.

PERFORMANCE DATA AND ANALYSIS

The following provides a brief synopsis of overall PHMC Environmental Management (EM) cost, schedule, and milestone performance.

FY 2001 Schedule and Cost Performance

Schedule Performance — There is a FY 2001 year-to-date 4.2 percent ($21.7 million) unfavorable schedule variance that is within the established 10 percent threshold. Advanced Reactors Transition is the only project outside the threshold. Detailed variance analysis explanations can be found in the Project Sections.

Cost Performance — FY 2001 year-to-date cost performance reflects a 2.7 percent ($13.4 million) favorable cost variance that is within the established 10 percent threshold. Projects outside the threshold are Advanced Reactors Transition, Mission Support, HAMMER, Landlord, and National Programs. Detailed variance analysis explanations can be found in the Project Sections.

Estimate at Completion (EAC) — Because the EACs portrayed on the following table represent current estimates for authorized work, they may differ from the Performance Execution Module (PEM) column. Additionally, approved changes to the baseline are reflected in EACs but may not yet be included in the PEM database due to timing issues.

BASELINE PERFORMANCE STATUS
FY 2001 COST / SCHEDULE PERFORMANCE – ALL FUND TYPES
CUMULATIVE TO DATE STATUS ($M)

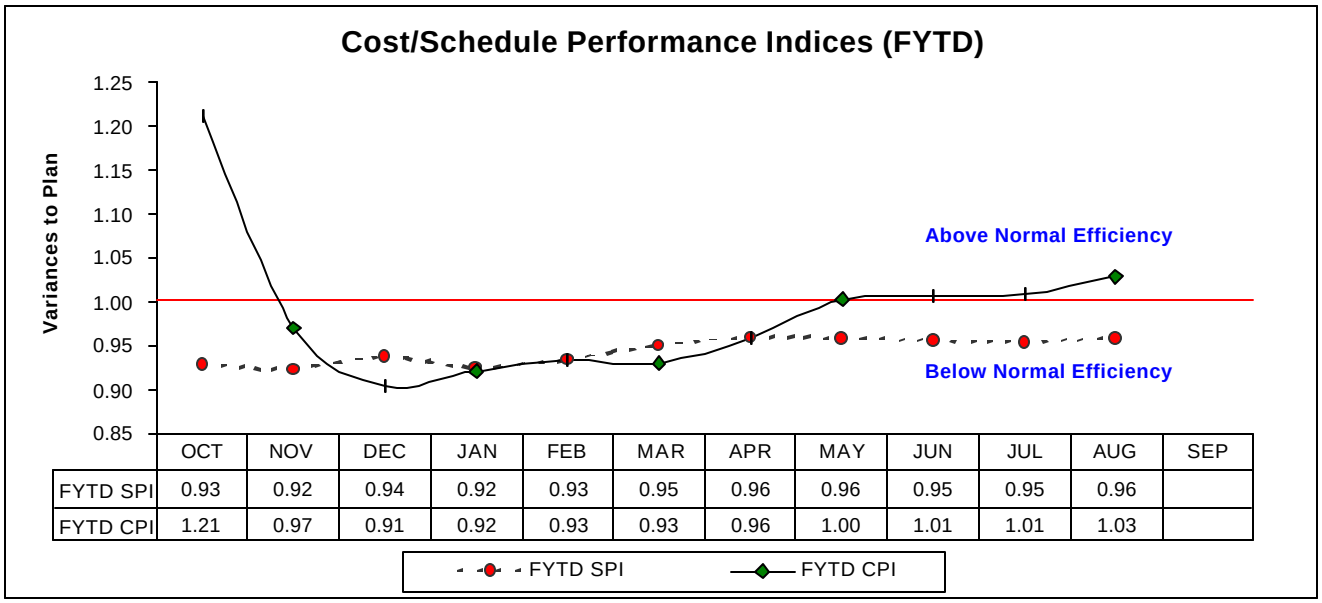
DATA THROUGH AUGUST 2001

		Current Fiscal Year Performance ($ x Million)					Annual Budget	EAC
		FYTD			Schedule Variance	Cost Variance		
		BCWS	BCWP	ACWP				
The Plateau								
1.2	**Waste Management** TP02,WM03-05	99.0	98.0	90.3	(1.0)	7.6	109.8	103.0
1.2.4	**Analytical Svcs (222-S,HASP,WSCF)** WM06	28.8	28.6	27.2	(0.2)	1.4	32.0	32.0
1.4.5	**Nuclear Materials Stabilization** TP05	100.8	95.0	98.1	(5.8)	(3.1)	113.5	116.6
	Subtotal The Plateau	**228.6**	**221.6**	**215.6**	**(7.0)**	**5.9**	**255.3**	**251.6**
The River								
1.4	**River Corridor** TP01,TP04,TP08,TP10,TP12,TP14	44.9	44.2	41.6	(0.7)	2.6	50.6	49.6
1.3	**Spent Nuclear Fuel** WM01	159.7	149.4	147.8	(10.2)	1.6	182.5	181.3
1.12	**Advanced Reactors (EM)**	1.7	1.5	1.1	(0.2)	0.4	1.9	1.9
	Technology Development * (EM-50)	24.2	22.2	21.5	(2.0)	0.7	27.4	23.2
	Subtotal The River	**230.4**	**217.4**	**212.1**	**(13.1)**	**5.3**	**262.4**	**256.0**
The Future								
1.9	**HAMMER** HM01	5.7	5.5	5.0	(0.2)	0.6	6.4	6.3
	Subtotal The Future	**5.7**	**5.5**	**5.0**	**(0.2)**	**0.6**	**6.4**	**6.3**
Multiple Outcomes								
1.5	**Landlord** TP13	21.2	20.2	17.2	(1.0)	3.0	23.6	21.2
1.8	**Mission Support** OT01	21.5	21.1	23.5	(0.4)	(2.4)	23.8	22.6
1.11 & WM07	**National Programs** OT02, WM07	4.5	4.5	3.5	0.0	1.0	5.5	5.0
	Subtotal Multiple Outcomes	**47.2**	**45.8**	**44.3**	**(1.3)**	**1.6**	**53.0**	**48.8**
	Total PHMC Projects	**512.0**	**490.3**	**476.9**	**(21.7)**	**13.4**	**577.1**	**562.7**

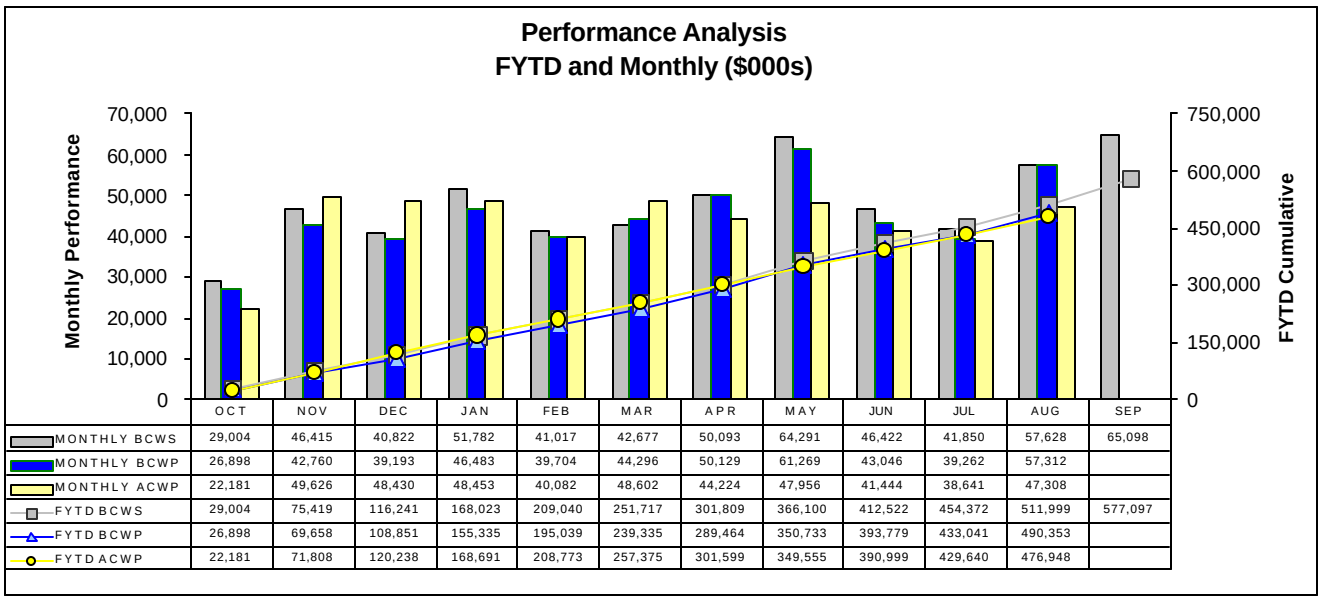
Notes: Column headings [Budgeted Cost of Work Scheduled (BCWS), Budgeted Cost of Work Performed (BCWP), etc.] are defined in the glossary at the end of the report. Calculations are based on Project Baseline Summary detail. Waste Management, Analytical Services, River Corridor, and Nuclear Materials Stabilization have included RL-Directed costs (e.g. steam and laundry) in the Project Execution Module (PEM) BCWS. Advanced Reactors ACWP excludes $1.7M of cost which is in WBS 2.1.1.1.4.1 and is not ART cost; see section E: 3 for details. Technology Development does not include ORP/RPP TTPs currently reported in the RL Dataset in PEM.

The following charts provide an overall graphical view of cost and schedule performance.

FY 2001 SCHEDULE / COST PERFORMANCE



	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP
FYTD SPI	0.93	0.92	0.94	0.92	0.93	0.95	0.96	0.96	0.95	0.95	0.96	
FYTD CPI	1.21	0.97	0.91	0.92	0.93	0.93	0.96	1.00	1.01	1.01	1.03	



	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP
MONTHLY BCWS	29,004	46,415	40,822	51,782	41,017	42,677	50,093	64,291	46,422	41,850	57,628	65,098
MONTHLY BCWP	26,898	42,760	39,193	46,483	39,704	44,296	50,129	61,269	43,046	39,262	57,312	
MONTHLY ACWP	22,181	49,626	48,430	48,453	40,082	48,602	44,224	47,956	41,444	38,641	47,308	
FYTD BCWS	29,004	75,419	116,241	168,023	209,040	251,717	301,809	366,100	412,522	454,372	511,999	577,097
FYTD BCWP	26,898	69,658	108,851	155,335	195,039	239,335	289,464	350,733	393,779	433,041	490,353	
FYTD ACWP	22,181	71,808	120,238	168,691	208,773	257,375	301,599	349,555	390,999	429,640	476,948	

FUNDS MANAGEMENT
FUNDS VS. SPENDING FORECAST ($000)
(FLUOR HANFORD, INC. ONLY)

This chart reflects FH Project structure, which divides PBS WM05 between projects. This breakout is necessary to provide FH project managers with information specific to their areas of responsibility and accountability and to facilitate effective management of the funds within their control (obligated to the PHMC). Consequently, these figures will differ from those shown elsewhere in this report (as generated in the PEM system).

For purposes of funds management, the "Other" category includes all funding sources not suitable for redistribution within the Project Completion and Post 2006 control points.

Data Through August 2001

	Project Completion Control Point			Post 2006 Control Point			Line Items and Other		
	Funds	FYSF	Variance	Funds	FYSF	Variance	Funds	FYSF	Variance
The Plateau									
1.2 **Waste Management** TP02,WM03-05				98,562	94,359	4,203			
1.2.4 **Analytical Svcs (222-S,HASP,WSCF)** WM06				30,798	29,921	877			
1.4.5 **Nuclear Materials Stabilization** TP05 Line Item	95,543	92,090	3,453				12,175	11,727	448
Subtotal The Plateau Operating	**$ 95,543**	**$ 92,090**	**$ 3,453**	**$ 129,360**	**$ 124,280**	**$ 5,080**			
Subtotal The Plateau Line Item							**$ 12,175**	**$ 11,727**	**448**
The River									
1.4 **River Corridor** TP01,TP04,TP08,TP10,TP12,TP14,WM05 Line Item	49,228	45,835	3,393	5,637	5,111	526			
1.3 **Spent Nuclear Fuel** WM01 Line Item	196,462	166,563	29,899						
1.12 **Advanced Reactors (EM)**				3,508	2,986	522			
Subtotal The River Operating	**$ 245,690**	**$ 212,398**	**$ 33,292**	**$ 9,145**	**$ 8,097**	**$ 1,048**			
Subtotal The River Line Item									
The Future									
1.9 **HAMMER** HM01				6,538	6,045	493			
Subtotal The Future				**$ 6,538**	**$ 6,045**	493			
Multiple Outcomes									
1.5 **Landlord** TP13				22,437	20,447	1,990			
1.8 **Mission Support** OT01				15,940	15,767	173			
Subtotal Multiple Outcomes Operating				**$ 38,377**	**$ 36,214**	**$ 2,163**			
Subtotal Multiple Outcomes Line Item									
Total PHMC Proj Operating	**$ 341,233**	**$ 304,488**	**$ 36,745**	**$ 183,420**	**$ 174,636**	**$ 8,784**			
Total PHMC Line Items/Other							**$ 12,175**	**$ 11,727**	**448**

Note: SNF and NMS Funds include President's FY01 Supplemental Funding as approved 7-26-01.

[Status as of 9-20-01]

Note: "Funds" is expected funds.

MILESTONE PERFORMANCE

Milestones represent significant events in project execution. They are established to provide a higher level of visibility to critical deliverables and to provide specific status about the accomplishment of these key events. Because of the relative importance of milestones, the ability to track and assess milestone performance provides an effective tool for managing the PHMC EM cleanup mission.

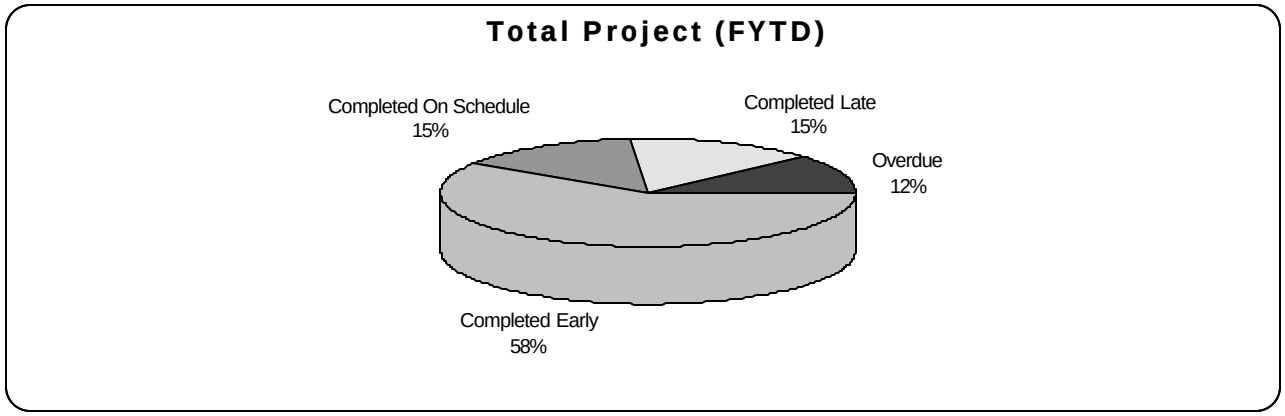
FYTD milestone performance (Enforceable Agreement [EA], U.S. Department of Energy- Headquarters [DOE-HQ], and RL) shows that 50 milestones were completed on or ahead of schedule, 10 milestones were completed late, and 8 milestones are overdue. The eight overdue milestones are associated with six projects: Nuclear Material Stabilization (Section C: 1), Spent Nuclear Fuel (Section D), Science and Technology Activities (Section F), HAMMER (Section G), Landlord (Section H), and Mission Support (Section I).

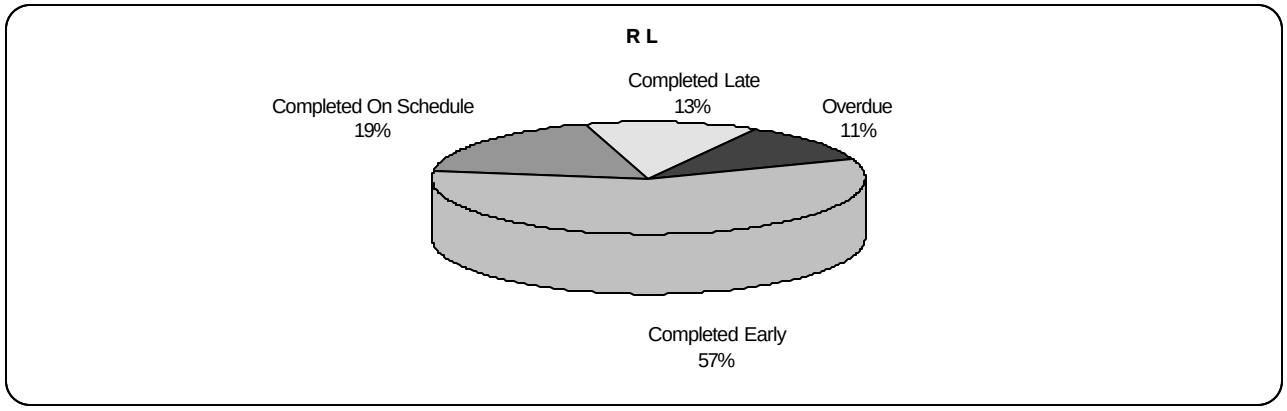
In addition to the FY2001 milestones described above, there is one overdue milestone [Waste Management (Section B: 1)] from FY1999. Further details regarding this milestone may be found in the referenced Project Section.

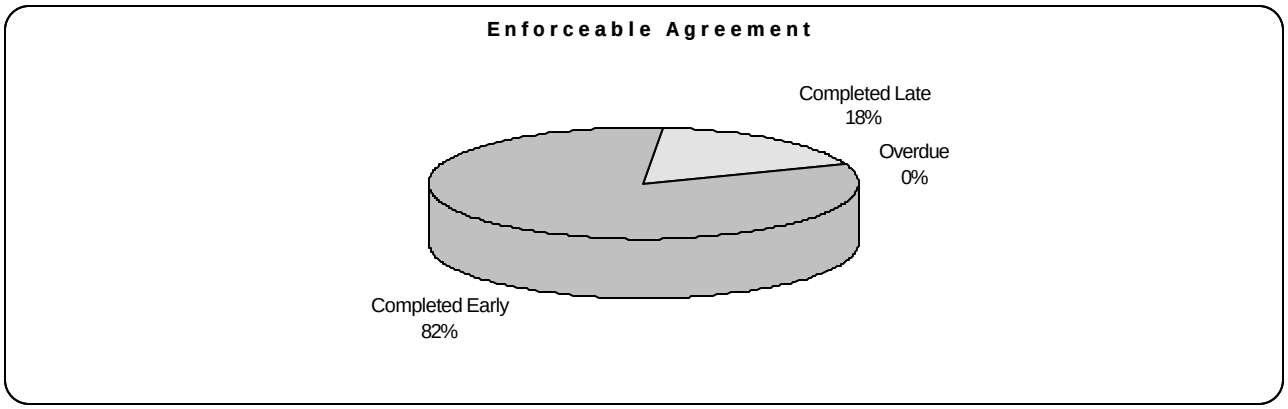
FY 2001 information is depicted graphically on the following page. For additional details related to the data and prior year milestones, refer to the relevant project section titled “Milestone Exception Report.” FY 2001 information reflects the Phase 1 MultiYear Work Plans (MYWPs). Changes in both the number and type of milestones from month to month are the result of Baseline Change Requests (BCRs) approved during the year.

TOTAL ALL HANFORD PROJECTS
MILESTONE ACHIEVEMENT

MILESTONE TYPE	FISCAL YEAR-TO-DATE				REMAINING SCHEDULED			TOTAL FY 2001
	Completed Early	Completed On Schedule	Completed Late	Overdue	Forecast Early	Forecast On Schedule	Forecast Late	
Enforceable Agreement	9	0	2	0	0	0	0	11
DOE-HQ	0	0	1	2	0	0	1	4
RL	31	10	7	6	0	17	0	71
Total Project	40	10	10	8	0	17	1	86

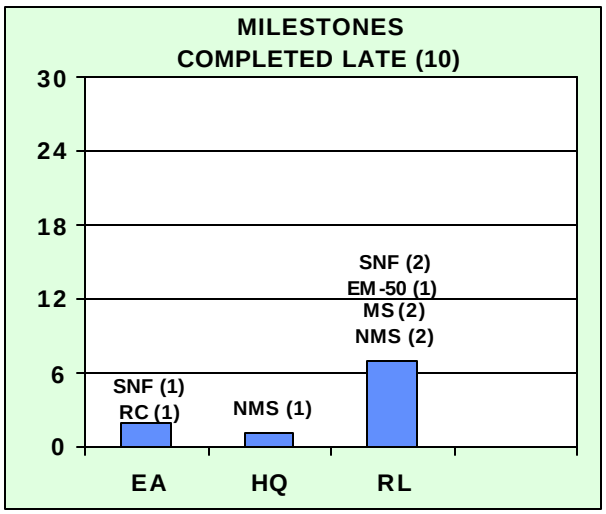


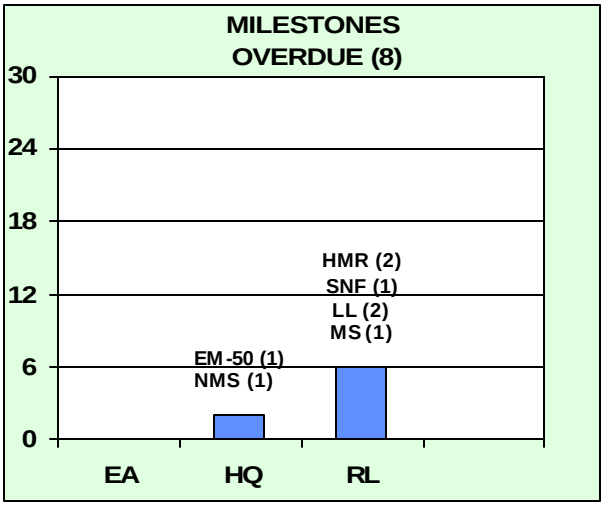




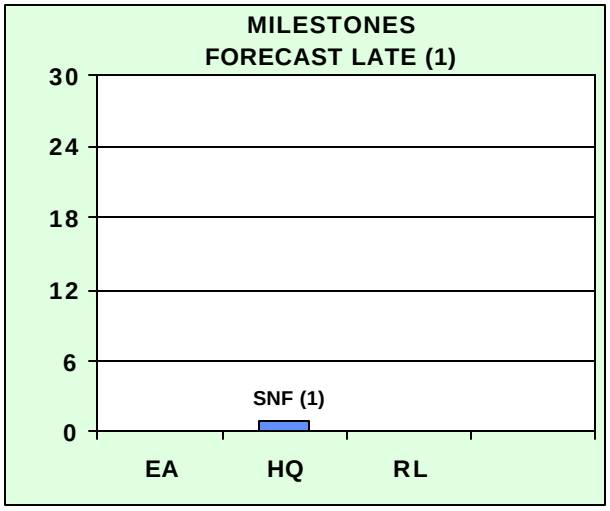
MILESTONE EXCEPTIONS

FISCAL YEAR TO DATE





REMAINING SCHEDULED



These charts provide detail by project and milestone level / type for milestones
- Completed Late
- Overdue
- Forecast Late
- Detailed information can be found in the individual project sections

SAFETY OVERVIEW

The focus of this section is to document trends in occurrences. Improvements in these rates are due to the efforts of the PHMC workforce as they implement the Integrated ES&H Management System (ISMS), work towards achieving Voluntary Protection Program (VPP) "star" status, and accomplish work through Enhanced Work Planning (EWP). Safety and health statistical data is presented in this section.

Significant Safety and Health Events

PHMC Level

Occupational Safety & Health Administration (OSHA) Recordable Case Rate: The past six months have been above average. A seventh month will be a statistically significant increase. Past efforts to reduce ergonomic injuries are successful and there is a significant decrease in ergonomic injuries. However, this is being offset by minor injuries generally not involving restricted workdays, but is still OSHA recordable. Projects of interest include Waste Management Project (WMP) and Nuclear Material Stabilization Project (NMSP).

Lost Away Workday Case Rate: The current safe work hour count for the FH Team is 116,120. There was a lost away workday case on August 27, 2001, when a DynCorp Tri-Cities Services, Inc. employee required surgery after tearing a muscle during a material lift. The case reset the safe hours counter. The results of the investigation and corrective action were detailed at the September Presidents' Zero Accident Council.

U.S. Department of Energy (DOE) Safety Cost Index: The FH DOE Safety Cost Index is currently stable at a baseline rate of 3.5 cents per hour.

Project Level

The **Waste Management Project (WMP)** has exceeded 2.6 million work hours without a lost away workday case. The WMP OSHA Recordable Case Rate remains stable at 1.8 cases per 200,000 hours. The WMP is addressing injury reduction issues in its Employee Zero Accident Councils.

The **Nuclear Material Stabilization Project (NMSP)** has exceeded 2 million safe work hours since the last lost away workday case. There has been an increase in NMSP restricted workday cases. After 1 million hours without a lost or restricted workday case, there were six restricted cases in the nine months from December 2000 to August 2001. The project is currently evaluating this increase.

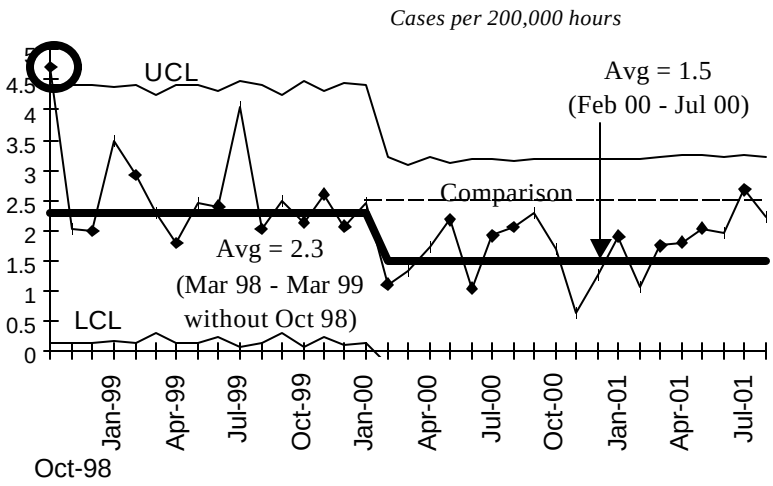
The **River Corridor Project (RCP)** has exceeded 1.8 million hours since the last lost away workday case. There have been no RCP OSHA recordable cases over the past five months. If the case rate remains at zero for the next two months, that will be a statistically significant improvement. The RCP Safety Cost Index is stable at a good value, 3.7 cents per hour. RCP is in final preparations for a Voluntary Protection Program (VPP) onsite review scheduled the week of October 14, 2001.

The **Spent Nuclear Fuel Project (SNFP)** has exceeded 3.2 million safe work hours through August 2001. The SNFP OSHA Recordable Case Rate for FY 2001 to date has been favorable and has a statistically significant reduction. The chart has been rebaselined to an average rate of 1.0.

Due to space constraints, FY 1996 through FY 1998 data is not portrayed on the following graphs.

Total OSHA Recordable Case Rate

Green



FY 2000 = 1.9
FY 2001 to date = 1.7
Contractor Comparison Average = 2.5 (CY00)

The past six months have been above average; a seventh month will mark a significant increase per the Fluor Trending Program.

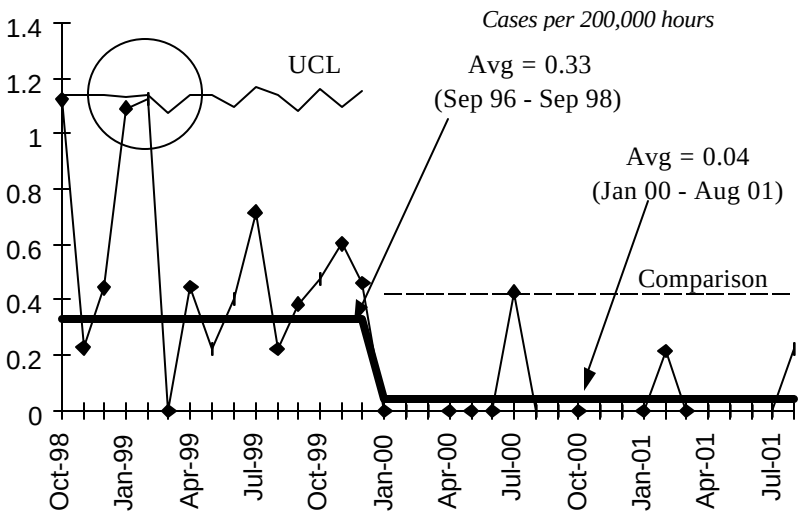
FH implemented a program to target an OSHA Recordable Case Rate of 0.9. The Fluor Global Services goal is 0.9.

Past efforts to reduce ergonomic injuries were successful and there is a significant decrease in ergonomic injuries. However, this is being offset by injuries caused by slips, trips and falls; caught in, under, between; struck by object; and struck against object. These are minor injuries, generally not involving restricted workdays, but are still OSHA recordable. Projects of interest include Waste Management Project (WMP) and Nuclear Material Stabilization Project(NMSP).

The Department of Energy complex-wide rates for DOE contractors are used as comparisons on these charts.

OSHA Lost Away Workday Case Rate

Green

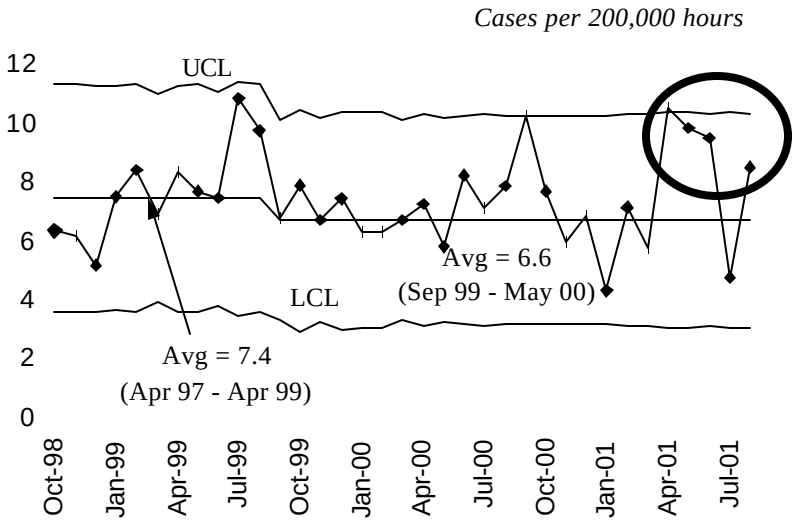


FY 2000 = 0.16
FY 2001 to date = 0.04
Contractor Comparison Average = 0.42 (CY00)

The current safe work hour count for the FH Team is 116,120. There was a lost away workday case on August 27, 2001. This case reset the safe hours counter. The results of the investigation and corrective action were detailed at the September Presidents' Zero Accident Council.

First Aid Case Rate

Green

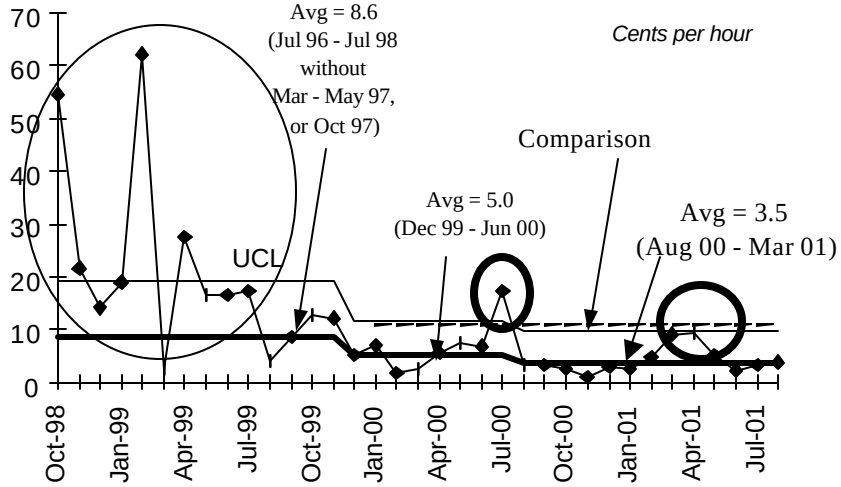


First Aid Rate undergoes seasonal cycles. Increases occur in warmer weather due to insect and animal encounters, and due to wind related minor injuries. Such an increase has occurred this year. Hanford is especially susceptible to wind borne debris injuries due to the site wildfire last summer. First Aid case rate has remained relatively stable, a good indicator that injuries are not being under-reported.

Fiscal year calculations are not included as DOE does not publish a comparison rate, and comparisons of partial fiscal year data to prior years would not be appropriate due to the cyclical trend in the data.

DOE Safety Cost Index

Green

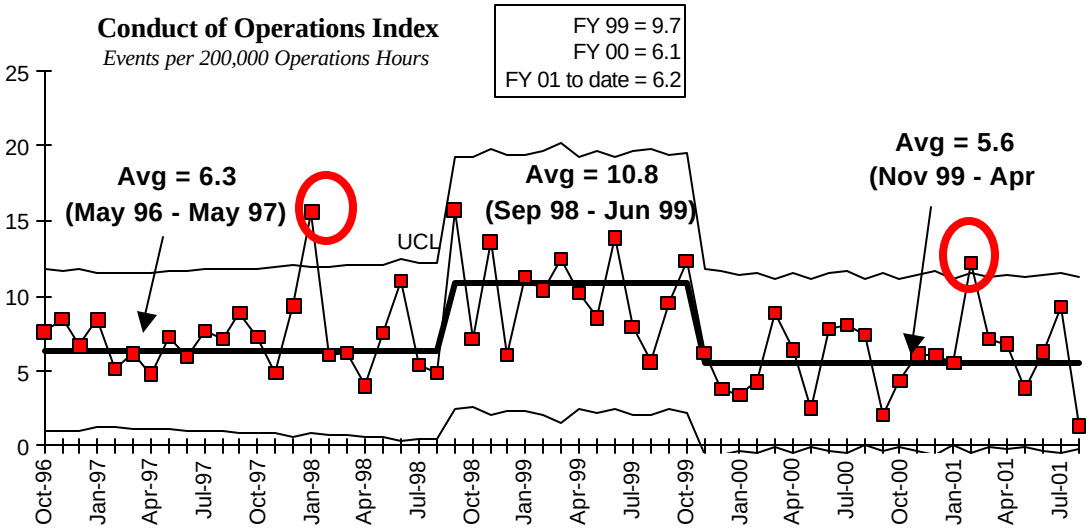


FY 2000 = 7.0
FY 2001 to date = 3.8
Contractor Comparison Average = 10.8 (CY00)
There was a statistically significant increase in the FH DOE Safety Cost Index March and April 2001 data due to the accumulation of additional restricted workdays. The current performance is well below DOE average, and the historical 8.0 goal for this indicator.

Past data continue to be corrected as further days accumulate on any work restrictions or lost days.

CONDUCT OF OPERATIONS / ISMS STATUS

Green



ISMS STATUS

Green

Two members of the **Waste Management Project (WMP)** Voluntary Protection Program (VPP) Steering Committee attended the national VPP Participants Association conference August 27-30, 2001, to obtain information and ideas about VPP implementation strategies being used across the DOE complex, as well as in commercial industry. WMP VPP activity continues with an internal assessment of employee VPP awareness scheduled for October and November.

The **River Corridor Project (RCP)** ISMS "Sustain and Maintain" process is in place. RCP is supporting the update of the FH annual ISMS training module and development of an ISMS/VPP Communications Plan through the ISMS Center of Expertise. RCP's VPP application was received by DOE-HQ, a team assembled, and the VPP review scheduled for the week of October 15.

Spent Nuclear Fuel Project personnel continue to demonstrate a commitment to ISM in "Doing Work Safely." Several examples of this include:

- Initiated and conducted an independent assessment of the Enhanced Work Planning process to identify opportunities for improvement.
- Implemented a priority system to accomplish work that focuses on corrective maintenance necessary to continue facility operation and preventive maintenance to support the facility authorization basis.
- Worked to the Facility Managers goals in the Engineering, Planning, Work Control and Maintenance organizations.
- Achieved over 3.2 million safe work hours through August 2001.
- Conducted a "Time Out for Safety" following the completion of the second maintenance outage.

BREAKTHROUGHS / OPPORTUNITIES FOR IMPROVEMENT

Breakthroughs

Support to Fuel Processing Improvements ¾ The Waste Management Project (WMP) is supporting the Spent Nuclear Fuel Project's Accelerated Closure Team (ACT) efforts to reduce fuel removal processing times and accelerate the completion of the project. Specific initiatives being supported include development of an Accelerated Sludge Capture and Removal Strategy and determination of the thermal stability of alternate "wet" sludge storage alternatives.

Alloys ¾ The Group 2 Pu/Al alloys environment document containing the Data Quality Objectives (DQO), Sample Analysis Plan (SAP) and Quality Assurance Plan (QAP) was completed and distributed for review. The document provides the technical discussion for eliminating most of the sampling of the Group 2 alloys.

Dose Reduction ¾ The Residues team successfully implemented an extremity dose reduction during the Group 1 Pu/Al alloys repackaging. The unmitigated extremity estimate was 20,646 mrem; the actual was 920 mrem. The use of the leaded surgeons' gloves, pewter cans, extension tools and process improvements resulted in the dose reduction. The largest reduction contributor was the leaded surgeons' glove.

Solutions Stabilization ¾ Testing of a new, re-designed hot plate (prototype), to improve the reliability of the hot plate and drying of the precipitate was delayed due to failure of the hot plate during laboratory testing. Testing will resume upon receipt of a production unit from the hot plate supplier.

Process Improvement ¾ A mechanical furnace loading/unloading system that couples two stabilization furnaces will soon be available to stabilize plutonium. This "hot-box" will allow continuous operation of the muffle furnaces thereby nearly doubling throughput. Currently the material has to be cooled down for several hours before it can be inserted or retrieved by workers. Hot testing of the "hot-box" equipment designed and fabricated by PNNL was initiated August 13 and appeared to operate flawlessly.

Technical Review of 327 Hot Cell Removal— Technology Management, supported by RCP, completed a review of the feasibility of intact removal of the hot cells from the 327 Facility. The review team found the concept of intact removal to be feasible, to have potentially significant As Low As Reasonably Achievable (ALARA) benefits, and to have potential cost reductions of $2M to $4M. A hot cell characterization strategy is being prepared to establish the data quality objectives, identify techniques for obtaining necessary data, and to identify the optimal disposal site. The characterization strategy will be issued in December.

Permit By Rule Treatment at 300 Area TEDF — FH is investigating the potential to treat limited categories of liquid non-radioactive hazardous wastes using the existing capabilities of the 300 Area TEDF by applying a permit exclusion available within the waste regulations. Treatment of hazardous wastes at TEDF could provide a low-cost option for disposal of some wastes currently sent off-site. The regulatory analysis is complete, and for the next two months the benefits and site needs for waste treatment will be compared against the costs and risks of implementing the treatment. A decision on whether to proceed will be made during the first quarter of FY 2002.

105K West Fuel Processing / Production Improvements ¾ The KW Fuel processing times have been reduced by more than 50 percent during the past year. The current average processing time is 38.9 working hours, 6.1 working hours less than the required target processing time of 45 working hours.

CVDF Fuel Processing / Production Improvements ¾ The processing times at CVDF have been reduced from approximately 100 working hours per MCO to a current average of 85.3 working hours per MCO, 4.7 working hours less than the required target of 90 working hours.

Deactivation Acceleration ¾ A plan to accelerate 100 area deactivation consistent with the stretch commitment has been documented in Baseline Change Request (BCR) No. SNF-2001-023. The BCR will establish a new baseline that accelerates deactivation of 100K Area by ten months.

Opportunities for Improvement

Recordable Injuries — WMP is experiencing an upward trend in its number of Recordable injuries. Analysis indicates that many of the injuries this quarter, as well as throughout the year, might have been prevented had there been an increased sense of "personal awareness" of the environment or activity at the time of the injury. With enhanced employee involvement and communications through the Project Employee Zero Accident Council (EZAC) as well as all Facility EZACs, increased "personal awareness" will be stressed as one avenue for improvement relative to the employee injury rate.

Conduct of Operations Improvement Initiative ¾ RCP has initiated a Conduct of Operations Improvement Plan to improve organizational performance, and to create a culture change regarding effective implementation of Conduct of Operations principles. The RCP has completed the first month of the Conduct of Operations Improvement Plan. Each facility and participating organization has spent time reviewing its Conduct of Operations Matrix, identifying areas of improvement and communicating results to the staff. As expected, different levels of completion were achieved. However, the project is off to a good start and is well into the second month of assigned activities. Project directors will provide a summary review of progress to the RCP Vice President at the two, four and six-month milestones.

Fuel Processing at KW — Efforts continue to reduce the fuel processing times at K West basin and the CVDF.

K Basin Sludge Wet Storage — A Value Engineering session was facilitated for potential elimination of K Basin fuel wash sludge Wet Storage in September. Two options have been identified for follow up.

T Plant Readiness — Methods to accelerate T-Plant readiness for potential early sludge removal are being evaluated.

ISSUES

PFP Non-destructive Assay (NDA) Program Suspension ¾ The Nondestructive assay (NDA) calculation of plutonium concentrations in packaged waste has recently come under question. Subsequently, a total of six hundred sixty-six items were reanalyzed and recalculated at PFP. The results were issued in a final report to BHI on September 21, 2001. Due to the NDA program suspension at PFP (which impacted characterization activities at 224-T), the RCP contracted with PNNL to perform the remote NDA activities at the 224-T building.

Water tower cost and schedule impacts ¾ Uranium contamination was found on the 3902A and 3902B water towers, which created cost and schedule impacts (due to a need to bury the materials rather than recycle). Water towers 3902A and 3902B were size reduced and disposed of in the LLBG.

303-K demolition cost impacts ¾ Soil contamination in the vicinity of the 303-K water isolation valve exceeds the NOC permit. 303-K demolition may have to proceed around the water line, which could have a cost impact. Work is proceeding along two parallel paths:

1) Modifying the 303-K demolition NOC to allow excavation of the affected soil. Modification of the NOC has been transmitted by RL to the Washington State Department of Health.
2) The BHI demolition plan leaves the water line in place. Demolition of 303K is complete.

EM Corporate Performance Measures

This information is provided quarterly.

EM Management Commitment Milestones

DATA THROUGH AUGUST 2001

Milestones	Due Date	Forecast Date	Actual Date	Status / Comments
Nuclear Materials Stabilization				
Package plutonium alloys for disposition to WIPP or for long-term storage	6/30/01	On hold		Overdue
Complete brushing and repackaging of plutonium metal inventory	8/31/01	9/26/01	9/26/01	Complete
Complete repackaging and shipping of Rocky Flats ash to CWC	4/30/01	3/29/01	3/29/01	Complete
River Corridor				
Complete shipment of waste from B-Cell cleanout (M-89-02)	7/31/01	7/31/01	7/17/01	Complete
Spent Nuclear Fuels				
Remove first MCO from K-West Basin	11/30/00	12/7/00	12/7/00	Complete
Approve Construction of Alternate Fuel Transfer Strategy Basin mods	9/30/01	9/30/01		On Schedule
Waste Management				
Transmit T-Plant Sludge Storage Conceptual Design to Ecology	6/29/01	6/11/01	6/11/01	Complete

Critical Few Performance Incentives

The following table portrays the multi-year incentives. Specific current performance data can be found in the individual Project Sections.

PERFORMANCE MEASURES

	Data Through August 2001
Spent Nuclear Fuel:	
Measure – Transfer K-Basin Facility to River Corridor Contractor Remove spent fuel by July 31, 2004	Green
300 Area Cleanup:	
Measure – Accelerate 300 Area cleanup	Green
Measure – Support River Corridor Project contract transition	Green
200 Area Facility Disposition:	
Measure – Disposition surplus buildings and rolling stock	Green
Waste Management:	
Measure – Treat and Dispose MLLW	Green
Measure – Certify TRU waste and ship to WIPP	Green
Measure – Complete physical activities necessary to store K-Basins sludge at T-Plant	Green
Measure – Complete contractor readiness assessment (T-Plant)	Green
Measure – Prepare T-Plant to support M-91 activities	Green
Plutonium Stabilization:	
Measure – Pu metal/oxides/other types dispositioned All Pu bearing materials stabilized by May 31, 2004	Green
Measure – PFP Deactivation	Green

KEY INTEGRATION ACTIVITIES

The following are the key technical integration activities that are currently underway and cross project/contractor lines. These activities are being addressed by inter-discipline and inter-project groups and demonstrate that Hanford Site contractors are working together to accomplish the EM Clean up mission.

- PFP met with General Electric (GE) Vallecitos representatives on September 20, 2001 and finalized a plan for transporting a fuel pin to Hanford later this fall. This will assist GE Vallecitos with the final step in their nuclear material deinventory.

- PFP coordination with Lawrence Livermore National Laboratory (LLNL) to ship requested oxide material (81 kg) to that facility continues. Meetings between DOE, LLNL and PFP to finalize transportation, container, and shipping agreements have resulted in a tentative shipment date of June 2002.

UPCOMING PLANNED KEY EVENTS

The following key events are extracted from the authorized baseline and are currently expected to be accomplished during the next several months. Most are Enforceable Agreement (EA), HQ or DNFSB Milestones.

Waste Management

Land Disposal Restrictions (LDR) Report - The Washington State Department of Ecology (Ecology) extended its comment period on the Report under the Tri-Party Agreement by 45 days; comments are now expected in late September. A lengthy Ecology LDR audit is currently underway, projected to last into October 2001. T Plant's audit has been completed and a CWC audit is tentatively scheduled for September 27, 2001.

Accelerate Readiness to Receive SNF K Basin Sludge - 1) Complete RL ORR for Shippingport (PA) fuel, 2) Complete major crane outage, 3) Initiate Shippingport fuel movement, and 4) Accelerate T Plant Canyon cell cleanout.

Waste Encapsulation and Storage Facility (WESF) Operations - Begin annual inner-capsule movement testing and capsule etching in October 2001. Prepare for DNFSB 2000-2 Phase II assessment of Confinement Ventilation Systems scheduled for December 2001.

MLLW Treatment - Prepare additional debris waste for shipment to ATG early next fiscal year.

Nuclear Materials Stabilization (NMS) Project Support - Continue to receive waste in support of Hanford ash processing through November 2001.

TRU Waste Retrieval - Continue technical planning to support buried drum retrieval start-up by April 2002.

TRU Recertification and PFP Audits - Complete corrective actions associated with the (Plutonium Finishing Plant and Re-Certification) WIPP audits.

Support to RCP - Support the removal of a Curium/Americium source from the 327 Facility. Support characterization, transport and storage of 324 pipe pit Remote-Handled (RH) wastes.

Liquid Waste Processing - Continue groundwater processing at the 200 Area ETF.

Nuclear Materials Stabilization

Disposition of Nuclear Material - Complete Project W-460 construction activities by October 1, 2001. Complete hot startup of the 2736-ZB Stabilization and Packaging System (W-460) by November 12, 2001.

River Corridor Project

324 Building - Begin cleanout of pipetrench to include the placement of the robot by September 30, 2001.

Spent Nuclear Fuel Transfer - Begin 90% design review of Spent Nuclear Fuel packaging and transportation system by mid-October 2001.

327 Authorization Basis (AB) - The technical update of the 327 Authorization Basis (originally due in May 2001) will be submitted to RL by mid-October 2001.

Tall Well Cars - The second and third of four tall well cars will be shipped to Memphis, TN. during October 2001.

224-T Phase I Characterization - Complete Phase I characterization on the remaining five cells at 224-T by December 31, 2001.

Spent Nuclear Fuels

Shippingport Spent Fuel Canisters - Receive all Shippingport Spent Fuel Canisters by September 2001.

Start of Construction - Approve Start of Construction for the K East and K West Basin facility modifications for Accelerated Fuel Transfer Strategy in October 2001.

Canister cleaning operations - Complete installation of KW Basin spent nuclear fuel canister cleaner and begin operations in November 2001.

Shippingport SNF - Initiate Shippingport fuel shipments to the CSB in November 2001.

MCO shipments - Continue MCO shipments through FY 2002.

Landlord

Project L-339 - Complete Construction for Project L-339, “PFP Water System Isolation – Install Sanitary Water to WRAP” by December 28, 2001 (RL Milestone LLP-01-535).